



NEBRASKA INDIVIDUAL INCOME TAX RETURN **FORM 1040N**
for the taxable year January 1, 1998 through December 31, 1998
or other taxable year: _____, 19____
1998 ▲

• Read instructions
before completing
this form

PLEASE DO NOT WRITE IN THIS SPACE

Please Type or Print
LABEL
HERE

First Name(s) and Initial(s)		Last Name	
Home Address (Number and Street or Rural Route and Box Number)			
City, Town, or Post Office		State	Zip Code

☐ Check here if you do not wish to receive a booklet next year, but need only a name and address label for filing your 1999 return

Your Social Security Number

Spouse's Social Security No.

PUBLIC HIGH SCHOOL DISTRICT DATA

COUNTY OF RESIDENCE

County:

Number:

(1) ☐ Farmer/Rancher (2) ☐ Active Military (3) ☐ Deceased (first name & date of death): _____ / ____ / ____

1 Federal Filing Status

(1) ☐ Single (3) ☐ Married, filing separate – Spouse's S. S. No.: _____ (4) ☐ Head of Household
(2) ☐ Married, filing joint and Full Name _____ (5) ☐ Widow(er) with dependent children

2a Check if YOU were:

(1) ☐ 65 or older (2) ☐ Blind

2b Check here if someone (such as your parent) can claim you or your spouse as a dependent: (5) ☐

3 Type of Return

(1) ☐ Resident (2) ☐ Partial-year resident from _____, 1998 to _____, 1998 (attach Schedule III)
(2) ☐ Nonresident (attach Schedule III)

4 Federal exemptions (number of exemptions claimed on your 1998 federal return) **4**

If you entered -0- on Federal Form: 1040A, line 25; 1040EZ, line 10; Federal TeleFile Worksheet, line J; or 1040, lines 40, 51, and 53, see Special Instructions on page 5, and check this box ☐.

5 Federal adjusted gross income (AGI) (line 18, Form 1040A; or line 4, Form 1040EZ or line H, TeleFile Worksheet; or line 33, Form 1040) **5**

6 Federal standard deduction (line 21, Form 1040A; line I, TeleFile Worksheet; Form 1040, or Form 1040EZ — see instructions) **6**

7 Total itemized deductions (line 36, Form 1040 — see instructions) **7**

8 State and local income taxes (line 5, Schedule A, Form 1040 — see instructions) **8**

9 Nebraska itemized deductions (line 7 minus line 8) **9**

10 Enter the amount from line 6 or line 9, whichever is greater (see instructions) **10**

11 Nebraska income before adjustments (line 5 minus line 10) **11**

12 Adjustments increasing federal AGI (line 42, from attached Nebraska Schedule I) **12**

13 Adjustments decreasing federal AGI (line 49, from attached Nebraska Schedule I) **13**

If the amount on line 13 is **ONLY** for a state income tax refund deduction, check this box: ☐ (see instr.)
(NOTE: If line 12 is zero (0), and you check this box, do not complete Nebraska Schedule I.)

14 Nebraska tax table income (enter line 11 plus line 12 minus line 13). If less than -0-, enter -0- **14**

15 Nebraska income tax (residents use Nebr. Tax Table; others use Nebr. Sch. III) **15**

16 Nebraska minimum or other tax (Forms 6251, 4972, or 5329 — see instructions) **16**

17 Total Nebraska tax before personal exemption credit (add lines 15 and 16) **17**

COMPLETE REVERSE SIDE

18	Amount from line 17 (Total Nebraska tax)	18	
19	Nebraska personal exemption credit for residents only (\$88 per exemption claimed on line 4). If line 5 is more than \$104,000 – married/joint, \$62,000 – single, \$87,000 – head of household – see page 9 of instructions. Nonresidents and partial-year residents – enter -0-, and complete line 61, Nebr. Schedule III.	19	
20	Credit for tax paid to another state (attach Nebraska Schedule II and the other state's return)	20	
21	Credit for the elderly or disabled (attach copy of Federal Schedule R/ Schedule 3 — see instructions)	21	
22	CDAA Credit (see instructions)	22	
23	Form 3800N credit (attach Form 3800N)	23	
24	Form 829N credit (see instructions)	24	
25	Nebraska dependent/child care credit, if federal AGI is more than \$29,000 (from worksheet on page 7 of instructions)	25	
26	Total nonrefundable credits (add lines 19 through 25)	26	
27	Subtract line 26 from line 18 (if line 26 is more than line 18, enter -0-). If result is more than your federal tax liability and line 12 is less than \$5,000, see instructions. If entering federal tax, check box: <input type="checkbox"/> attach federal return copy	27	
28	Nebraska income tax withheld (attach 1998 W-2, W-2G, 1099-R, 1099-MISC, or 14N)	28	
29	1998 estimated tax payments (include 1997 overpayment credited to 1998)	29	
30	Form 4136N credit (attach Form 4136N)	30	
31	Nebraska child/dependent care refundable credit (if line 5 is \$29,000 or less). (from worksheet on page 8 of instructions)	31	
32	Total of lines 28, 29, 30, and 31	32	
33	AMOUNT YOU OWE (subtract line 32 from line 27 and pay in full with return). If over \$300 and Form 2210N is attached, check here: <input type="checkbox"/> . Include penalty in line 33 and show here: 99 \$	33	
34	If line 32 is more than line 27, subtract line 27 from line 32. This is the amount you OVERPAID	34	
35	Amount of line 34 you want APPLIED TO YOUR 1999 ESTIMATED TAX	35	
36	Nongame and endangered species fund DONATION of \$1.00 or more	36	
37	Nebraska campaign finance CONTRIBUTION of \$2.00; \$4.00 if married filing joint	37	
38	Amount of line 34 you want REFUNDED (line 34 minus lines 35, 36, and 37). Allow 12 weeks for your refund	38	

Expecting a Refund?

• Have it sent directly to your bank account! (see instructions)

39a	Routing Number	39b	Type of Account	1 = Checking	2 = Savings
(Enter 9 digits, first two digits must be 01 through 12, or 21 through 32 use an actual check or savings account number, not a deposit slip)					
39c	Account Number	(Can be up to 17 characters. Omit hyphens, spaces, and special symbols. Enter from left to right and leave any unused boxes blank.)			

Under penalties of perjury, I declare that, as taxpayer or preparer, I have examined this return and to the best of my knowledge and belief, it is correct and complete.

sign here

Keep a copy of this return for your records.

Your Signature

Date

Signature of Preparer if Other Than Taxpayer

Date

Spouse's Signature (if filing jointly, **both** must sign)

Daytime Phone

Address

Daytime Phone

Mail this return and payment to: **NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 94818, LINCOLN, NE 68509-4818**



NEBRASKA SCHEDULE I — Nebraska Adjustments to Income
NEBRASKA SCHEDULE II — Credit for Tax Paid to Another State
NEBRASKA SCHEDULE III — Computation of Nebraska Tax
• ATTACH THIS PAGE TO FORM 1040N

FORM 1040N
Sch. I, II, and III
1998

Name as Shown on Form 1040N

Social Security Number

Nebraska Schedule I — Nebraska Adjustments to Income for Nebraska Residents, Nonresidents, & Partial-Year Residents
• Attach additional pages if necessary

PART A — Adjustments Increasing Federal AGI

40 a Total interest income from all state and local obligations (municipal bonds) exempt from federal tax: List type(s) and total amount: _____ 40 a \$ _____		
b Exempt interest income from Nebraska obligations (see instructions on page 10 of booklet): List type(s) and amount: _____ 40 b \$ _____		
Enter the result of line 40a minus line 40b	40	
41 Other adjustments increasing income (see instructions)	41	
42 Total adjustments increasing income (line 40 plus line 41). Enter here and on line 12, Form 1040N	42	

PART B — Adjustments Decreasing Federal AGI — see complete instructions on pages 11-12 of the Nebraska booklet

43 State income tax refund deduction (enter line 10, Federal Form 1040 — see instructions)	43	
44 a Interest and dividend income from U.S. government obligations (list below or attach sch. — see instr.) List type(s) and amount: _____ 44 a \$ _____		
b List fund name, total dividend, and percent of regulated investment company dividend(s) from U.S. obligations: _____ Total dividend: \$ _____ x _____ % = 44 b \$ _____		
Enter total of lines 44a and 44b	44	
45 Taxable Tier I or II benefits paid by the Railroad Retirement Board . Attach all Form(s) 1099 (see instr.): List type(s) and amount: _____ Enter line 45 total:	45	
46 Special capital gains election (attach Form 4797N and copy of Fed. Schedule D — see instructions)	46	
47 Nebraska self-employed health insurance deduction (see instructions)	47	
48 Other adjustments decreasing taxable income (see instructions). Do not deduct other state's income. List type(s) and amount: _____	48	
49 Total adjustments decreasing income (total lines 43 through 48). Enter here and on line 13, Form 1040N	49	

Nebraska Schedule II — Credit for Tax Paid to Another State for FULL-YEAR RESIDENTS ONLY

- Complete a separate Schedule II for each state.
- A complete copy of the return filed with another state must be attached.
- If the entire return is not attached, credit for tax paid to another state will not be allowed. Name of state: _____

50 Nebraska income tax (line 17, Form 1040N)	50	
51 Adjusted gross income derived from another state (do not enter amount of taxable income from the other state)	51	
52 Calculated tax credit (see instructions) Line 51 Line 5 + Line 12 - Line 13 = Total + - = _____ x Line 50	52	
53 Tax due and paid to another state (do not enter amount withheld for the other state)	53	
54 Maximum tax credit (line 50, 52, or 53, whichever is least). Enter amount here and on line 20, Form 1040N	54	

Nebraska Schedule III — Computation of Nebraska Tax for NONRESIDENTS AND PARTIAL-YEAR RESIDENTS ONLY

- You must complete lines 1 through 14, Form 1040N. If you have state, local, or federal bond interest or other adjustments, complete Parts A or B of Nebraska Schedule I. Use Schedule III to calculate your Nebraska tax liability.

55 Income derived from Nebr. sources. Include income from wages, interest, and dividends; business, farming, partnerships, S corporations, limited liability companies, estates and trusts, gain or loss, rents, and royalties. If there is no Nebraska income or loss, enter -0-. List type(s) and amount: _____	55	
56 Adjustments as applied to Nebraska income, if any (see instructions on reverse side). List type(s) and amount: _____	56	
57 Nebraska adjusted gross income (line 55 minus line 56)	57	
58 Ratio — Nebraska's share of the total income (calculate to 5 decimal places, and round to 4): Line 57 Line 5 + Line 12 - Line 13 = Total + - = _____	58	. <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
59 Tax table income (line 14, Form 1040N)	59	
60 Tax from Nebraska Tax Table on line 59 income: \$ _____, plus any additional tax from Additional Tax Rate Schedule: \$ _____, minus credits: list type _____ and amount \$ _____. See instructions. Enter net result	60	
61 Enter personal exemption credit (see personal exemption chart on page 9 of instructions)	61	
62 Difference (line 60 minus line 61). If less than 0, enter -0- and apply the unused personal exemption credit against any minimum taxes on line 64	62	
63 Multiply line 62 by the ratio you computed on line 58. Enter result here and on line 15, Form 1040N	63	
64 Minimum and other taxes, see line 16 instructions and complete worksheet on page 7. Worksheet total, \$ _____ minus any unused personal exemption credit from line 62 _____, equals _____. Multiply this amount by line 58 ratio _____. Enter result here and on line 16, Form 1040N	64	

INSTRUCTIONS

NEBRASKA SCHEDULE I

LINE 40. You must report the income reported on line 8b of Federal Form 1040, or line 8b of Federal Form 1040A. Review the instructions on page 10 of the Nebraska Individual Income Tax Booklet. List on line **40a** all state and local government interest that is federally exempt. On line **40b**, list bonds issued by Nebraska or its local subdivisions.

LINE 41. Report any other allowable adjustments increasing federal adjusted gross income. Taxpayers receiving an S corporation or limited liability company loss distribution from non-Nebraska sources must enter the loss on line 41. Also include any federal net operating loss carryforward deducted on the federal return. Enter as a positive number.

LINE 43. Any individual income tax refund, credit, or offsets of state and local income taxes on line 10, 1998 Federal Form 1040 is listed. If this is your only Schedule I adjustment, enter this amount directly on line 13 of Form 1040N. **You do not need to file Schedule I.**

LINE 44. List interest and dividend income from U.S. obligations on line 44a. See the instructions on pages 11-12 of the Nebraska booklet. List the name of the obligation and the income derived from each on the lines provided or attach a separate listing. If you have a dividend from a regulated investment company which includes U.S. interest, list the fund name and the percentage of U.S. interest on line 44b. **Note:** Capital gains from the sale of U.S. obligations are not deductible.

LINE 45. List any federally taxed Tier I or II retirement benefits paid by the Railroad Retirement Board (RRB). This includes any dual vested benefits or supplemental annuities. Also report any unemployment or sickness insurance payments issued by the RRB. Attach a copy of Forms RRB-1099 and RRB-1099-R from the RRB.

LINE 46. See instructions on page 12 of the Nebraska Individual Income Tax Booklet and the Special Capital Gains Election Computation, Form 4797N.

LINE 47. Enter the Nebraska self-employed health insurance deduction from the worksheet you completed on page 12.

LINE 48. Enter any other allowable adjustments decreasing federal adjusted gross income. See instructions on page 12. Allowable deductions may include, but are not limited to:

1. Any amount repaid by taxpayer for which a federal credit was received because of a **claim of right repayment**;
2. An **S corporation shareholder's or limited liability company member's** income from non-Nebraska sources;
3. A **Native American Indian's** income derived from a Nebraska Indian reservation, if residing on the reservation; or
4. A Nebraska net operating loss carryforward.

NEBRASKA SCHEDULE II

Complete this schedule if you were a Nebraska resident the entire year and are claiming credit for income tax paid to another state, political subdivision, or the District of Columbia. Partial-year residents, even though having established residency as of December 31, 1998, must use Nebraska Schedule III.

Prepare a separate Schedule II to compute the allowable credit for each state in which you paid income tax. However, if some income is subject to an income tax of both another state and a city in that state, complete only one Schedule II and combine the city and state taxes paid. The total credits cannot exceed the tax liability.

Attach a copy of the complete income tax return, including schedules and attachments filed with the state or city for which the credit is claimed. Or, attach a copy of a letter or statement from the other state or city showing the income and the tax paid. **If not attached to Schedule II, the credit will not be allowed.** If you are claiming credit for income tax paid to a state's political subdivision not requiring the filing of an annual income tax return, attach a Form W-2 which shows the subdivision's tax withheld.

LINE 51. Enter the amount shown on the return filed with the other state as adjusted gross income, or gross income derived from sources within that state. **Do not** include any income from S corporations or LLC's companies reported on line 48 or income which is not included in federal adjusted gross income after Nebraska adjustments from lines 12 and 13, Form 1040N.

LINE 52. Calculate the factors to at least five decimal places, and then round to four decimals. If your division result is .12346, round to .1235 (12.35%).

LINE 53. Enter the amount actually paid to the other state. It is shown on the attached return of the other state after subtracting the other state's nonrefundable credits. **The total of the other state's tax withheld on the wage and tax statement is not to be claimed on this line**, except for a political subdivision of another state that does not require the filing of an annual income tax return.

If a husband and wife file separate Nebraska returns but a joint return in another state, attach a calculation of each spouse's share of the total tax

paid to the other state. Use the net income of each spouse that is taxed by the other state in the calculation.

NEBRASKA SCHEDULE III

Taxpayers filing a nonresident or partial-year resident return are to complete Nebraska Schedule III to determine the tax on their income derived from or connected with Nebraska sources.

LINE 55. Enter the income derived from Nebraska sources, or attach a schedule with the source and amount of income and deductions, characterized as they were on the federal return. Nebraska income for a partial-year resident includes all items of Nebraska income for a nonresident plus all of the income earned after becoming a Nebraska resident that is not taxed by another state. This includes dividends, interest, pension income, the sale of intangibles, and wages earned outside Nebraska.

Wages, salaries, tips, and commissions are the same amounts included in your federal income tax return derived from or connected with Nebraska sources. If the books and records do not clearly reflect specific identification of each income item, apportion the income to Nebraska based on either the days worked in Nebraska to the total days worked, or the volume of business transacted. Attach an explanation.

Dividends, interest, and other passive income such as gains or losses from the sale of stock or securities are usually not considered income from Nebraska for a nonresident unless earned in a business carried on in Nebraska. Do not include income from U.S. obligations listed on line 44.

Business income is the amount of net income or loss from a business, trade, or profession in Nebraska. Activity both within and without Nebraska, where the income is taxable in another state, must be apportioned in the same manner as a corporation. Business income is multiplied by an apportionment factor to determine the amount taxable by Nebraska.

Farming income is the amount of net income or loss from farming operations carried on within Nebraska.

Partnership, S corporation, limited liability company, estate or trust income is the individual's share of the entity's income and deductions derived from Nebraska.

Gain or loss is the net amount of all capital gains and losses derived in Nebraska from the sale, exchange, or involuntary conversion of real or personal tangible or intangible property.

Rent and royalty income is the net amount of rent and royalty income derived from or connected with Nebraska sources.

Lottery prizes are derived from Nebraska sources when awarded in a lottery game conducted pursuant to the Nebraska Lottery Act.

A net operating loss carryforward may be deducted only if it resulted from Nebraska sources. (Attach Form NOL)

LINE 56. Include the adjustments reported on lines 23 through 31a of Federal Form 1040, or line 17 of Federal Form 1040A, that apply to income from Nebraska sources. Penalty on early savings withdrawal is deductible only if directly related to Nebraska income reported on line 55. Payments to an IRA, a self-employed health insurance plan, or a Keogh or SEP plan attributed to Nebraska income included on line 55 are deductible only to the extent of the ratio of the payments based on the Nebraska wages or self-employment income to the total wages or income for which the payments were made. Identify the adjustment(s). Moving expenses as reported on Federal Form 3903 or 3903-F may only be deducted by partial-year residents who moved into Nebraska.

LINE 58. Calculate the factor to at least five decimal places and then round to four decimals. For example, if the line 58 answer is .12346, round to .1235 (12.35%) before computing line 63. Even if lines 5 and 55 are negative numbers, the ratio computed in line 58 cannot exceed 100 percent.

LINE 60. Enter, from the Nebraska Tax Table, the Nebraska tax on line 59 income. Also enter any tax from the Additional Tax Rate Schedule if your federal adjusted gross income is more than \$124,500 (see instructions).

Partial-year residents show any Nebraska credit for the elderly or disabled, credit for child and dependent care expenses, or credit for prior year minimum tax. **Nonresidents** show credit for prior year minimum tax. Partial-year residents with Federal AGI of \$29,000 or less do not claim their child care credit here. Instead, complete the line 31 worksheet in the instructions to figure your refundable credit for these expenses. Enter this result on line 31. (Nonresidents are not allowed a Nebraska credit for the elderly or disabled or a credit for child and dependent care expenses.) See lines 16, 21, 25, or 31 instructions.

Do not enter credit on lines 16, 21, or 25. Line 60 cannot be less than zero.

LINE 61. Enter your credit from the personal exemption chart on page 9 of the instructions. Multiply the credit listed in the chart by the number of exemptions reported on line 4. **Do not enter on line 19.**